

Headquarters U.S. Air Force

Integrity - Service - Excellence

DAS(C) Perspective

2003 Contracting e-Business Training Workshop



Mr. Charlie Williams, Jr.

**Deputy Assistant Secretary
(Contracting)**

Assistant Secretary (Acquisition)

18 November 2003



U.S. AIR FORCE

Worldwide Overview



■ Accomplishments & Challenges



Strategic Sourcing

Force Development

Training

Contingency Contracting

If you thought this year was fast, then hold on tight!

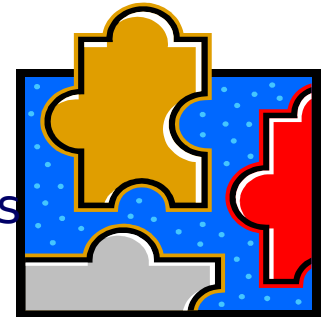


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The “Commander’s Intent” of Procurement Transformation



- Strategic Sourcing
 - Exploit industry best practices & technology to leverage AF spend
 - Commodity Councils
 - IT commodity council (May 03)
 - AFMC Purchasing and Supply Chain Mgt activities
- Agile Policy
 - Field policy that enables good business decisions
 - AFFARS re-write, DFARS re-write, AFI and Guide Review
 - Prepare our people to execute
- People
 - Developed to meet challenges of an agile, e-enabled environment
 - Shaped to ensure a viable future workforce



An agile procurement system which leverages Air Force purchasing power to provide desired capabilities



Strategic Sourcing

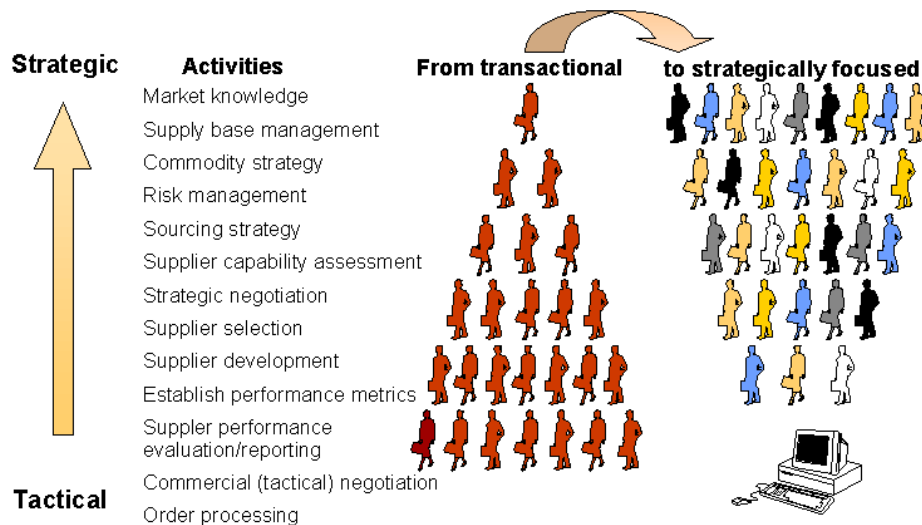


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Transformation Begins with Changing Behavior



Expeditionary – Agile – Innovative

30



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Procurement Transformation: Spend Analysis: Enabler of Strategic Sourcing



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29



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Strategic Sourcing: What we have done



■ Strategic Sourcing - we told you we would establish Information Technology Commodity Council (IT CC) and we did!

- IT CC Stood-up on 21 July 2003
- IT CC - cross-functional team made up largely of MAJCOM personnel
- Accomplishments to Date:
 - Developed enterprise-wide procurement strategies
 - Coordinated Air Force Bulk Buys for End of Fiscal Year 2003
 - Bought 12,500 new PCs at thirty percent discount





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Strategic Sourcing: PSCM Charter



We are committed to actively lead and support the Purchasing and Supply Chain Management (PSCM) and Depot Maintenance transformations. Our leadership will be evident by:

- ☐ Active leadership and guidance
- ☐ Visible Support
- ☐ Investments that mirror the transformation strategy
- ☐ Personal time and interest

We are committed to fundamentally changing our business processes through these guiding principles:

- ☐ Enterprise-wide leverage (Standard processes, technology, organization structure, skills)
- ☐ Centralized Commodity-focused sourcing
- ☐ Collaborative relationships with Customers and Strategic Suppliers
- ☐ One Supply System that is responsive to customers
- ☐ Well trained and educated workforce that is flexible, multi-skilled and sustains continuous improvement
- ☐ Top-down strategic planning processes
- ☐ Single Balanced Scorecard with alignment of responsibility, authority and accountability
- ☐ Information technology that provides accurate, timely data

Signatures:

General Lester Lyles Commander AFMC

Dr. Stewart HQ AFMC/CD

Maj. Gen. Gabreski HQ AFMC/LG

Maj. Gen. Sullivan OO-ALC/CC

Mr. Miner OO-ALC/CD

Mr. Wells HQ AFMC/PK

Lt. Gen. Coolidge HQ AFMC/CV

Mr. Dunn AF/ILI

Maj. Gen. Johnson OC-ALC/CC

Brig. Gen. Faykes HQ AFMC/FM

Mr. Conner OC-ALC/CD

July 25, 2003

Lt. Gen. Zettler AF/IL

Mr. Williams SAF/AQC

Maj. Gen. Wetekam, WR-ALC/CC

Mr. Davis WR-ALC/CD

Ms. Walker HQ AFMC/LG

Mr. Koenig HQ AFMC/LG





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Strategic Sourcing: Where we are headed



- Strategic sourcing will continue
 - Exploring candidates for future commodity council
 - Office Supplies
 - Medical
 - Security Forces
 - Construction
 - Services
- Further pursue our procurement transformation roadmap
 - Strategic planning activities
 - Reestablish contracting strategy board
 - Validate the vision & plan to get us there
 - Need to improve communication so we are all driving towards the same end state
- Change management

“Never underestimate the power of inertia to hold you hostage to where you used to be.” -

Dr. Tushman



Force Development



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Procurement Transformation: Force Development



"...As we transformed our Cold War structure into an Air and Space Expeditionary Force, it follows that we transition the way we train, educate, promote, and assign our Total Force. We call it Force Development and it applies equally to all of us ----"



The Contracting community, as part of the acquisition workforce, will be in the forefront of bringing this vision to fruition.

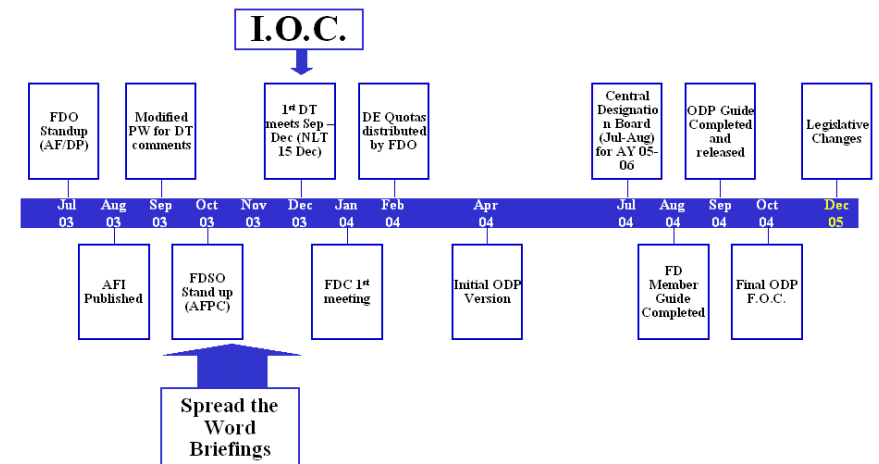


Expeditionary – Agile – Innovative

33



Force Development Implementation Timeline



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34



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Force Development: What we have done



- Force Development
 - Changed to align ourselves with SECAF/Chief's vision
 - Stood up Civilian & Military Development Teams
 - Framework for developing our people



“Force Development is all about getting the right people in the right job at the right time with the right skills” – Gen Jumper



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Force Development: What we have done



- Changed civilian “whole person score” to “quality ranking factors”
 - Drives right people and right force needs
 - Develops leaders with broad experiences to meet challenges of today’s Air Force
- New emphasis on breadth of experience, professional military and civilian education

“Our dilemma is that we hate change and love it at the same time; what we want is for things to remain the same but get better” - Do It, John Rogers, Peter McWilliams



**Force Development is about YOU
regardless of the level you aspire
to...Development is a continuous
process**



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Force Development: Where we are headed



- Opportunities for Improvement
 - Further refinement of the DTs and processes
 - Full alignment and engagement with AF level military & civilian development activities
 - DT engagement with development education for both military and civilians

“The individuals who will succeed and flourish will be the masters of change: adept at reorienting their own and others’ activities in untried directions to bring about higher levels of achievement” - Rosebeth Moss Kantner, Harvard



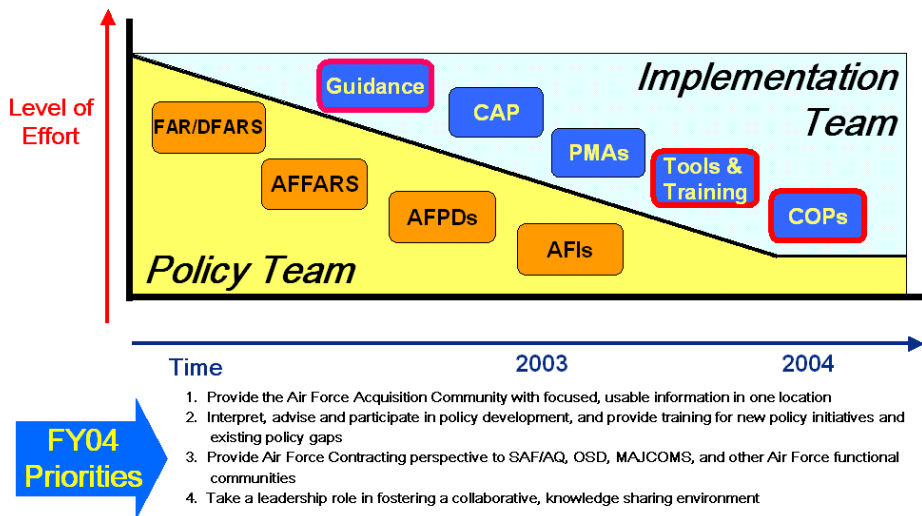
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Training



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Yes, It's Not Your Father's Policy Division!



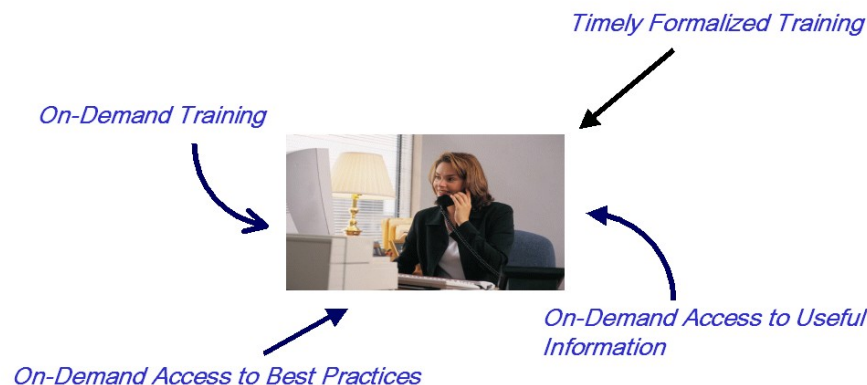
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16



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Vision: A Robust Learning Environment



If we only knew what we know we would be 30 percent more productive.
-Lewis Platt, former CEO of Hewlett-Packard

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15



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Training: What we have done

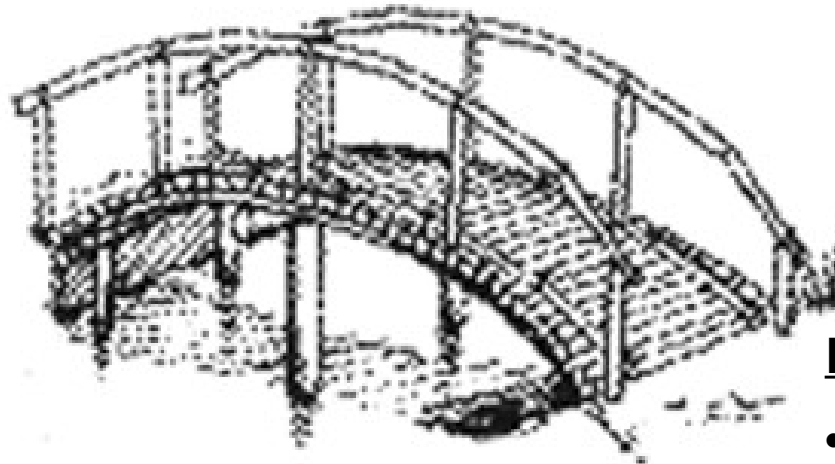


Stood-up Implementation and Training Team (ITT)

Present

- Policy w/o Training
- Information Overload
- Knowledge Hoarding

- ✓ Rapid/Focused “On-Demand” Training Tools
- ✓ Organized / Accessible Information
- ✓ Enhanced Toolkit / Web Pages
- ✓ Knowledge-Sharing Tools



ITT Bridge

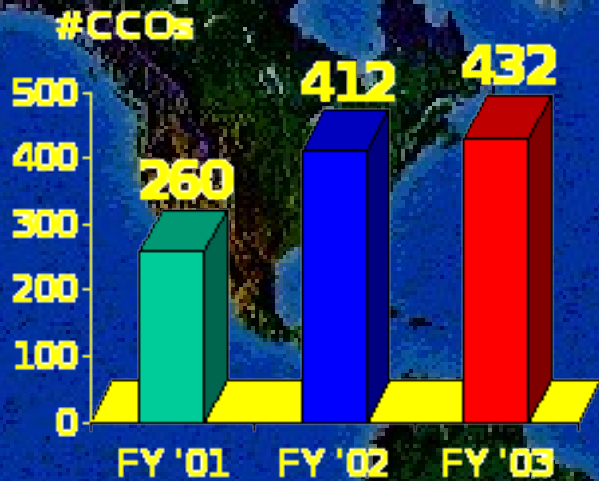
Future

- Empowered & Savvy Buyers / Contracting Officers

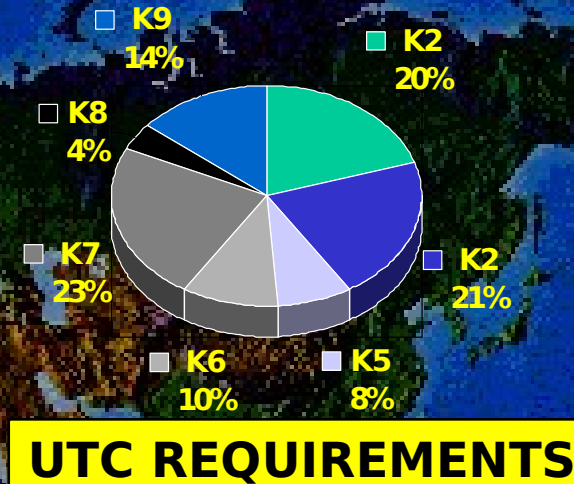


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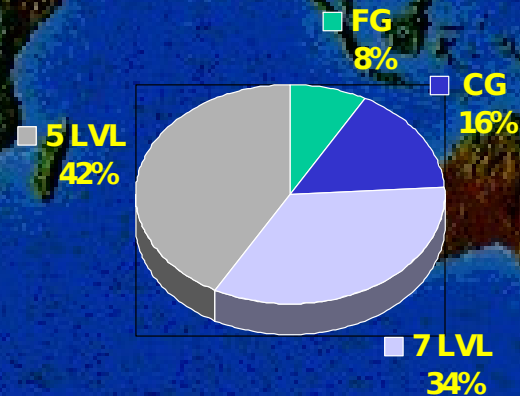
Contingency Contracting: What we have done



CCO AEF Deployments



UTC REQUIREMENTS



SKILL REQUIREMENTS



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Contingency Contracting: What we have done



- AF Contingency Contracting Officers (CCO): Reputation for Excellence
 - Overwhelming success supporting OIF
 - 111 CCOs deployed since OIF inception
 - Joint world recognizes/wants AF CCO capability
 - 5 CCOs dedicated to Iraq reconstruction
 - 23 CCOs performing joint missions in Southern Europe and Middle East





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Air Force CCOs Continue to “Make It Happen!”



Ability to Buy Local a Boon

Air Force officials believe *early deployment of USAF contracting officers into the Iraqi theater of operations saved USAF a great deal of time and money.*

“At first blush, you might ask why we’d deploy a contracting officer to an Iraqi air base early on, because where would we find vendors?” said Col Duane A Jones, chief of logistics of the Combined Forces Air Component Command. The word got out, and the vendors came.

Even contracting officers sent to remote areas found suppliers, some traveling great distances to do business with the coalition. One of the first local purchases was gravel. USAF bought lots of gravel. It was used both for runway repair and to keep down the dust.

Jones said the purchases helped not only the local economy, cementing friendly relations, but also the military transportation system. It saved money and time. “That improves efficiency and quality of life,” he

Air Force Contracting: Expeditionary - Agile -





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Contingency Contracting: Where we are headed



- Meeting Contingency Contracting Challenges Cont.
 - OPSTEMPO - On-going operations require level of combat support well above pre-9/11 level
 - AF/Joint Doctrine - Guide effective/efficient employment of CCOs in joint operations
 - Engage services/components/JCS/DoD
 - Joint Contingency Contracting Review Team
 - CoB - DFARS Case, Joint Guidance, AF IPT
- Increase and improve training opportunities



We are doing this well...but we need to keep driving towards excellence!



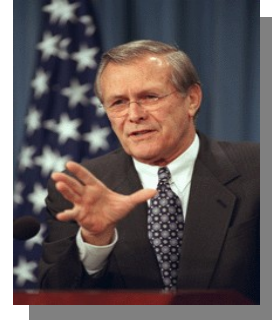
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Transformation: Will continue



“The Department’s leadership recognizes that continuing “business as usual” within the Department is not a viable option given the new strategic era and the internal and external challenges facing the U.S. military. Without change, the current defense program will only become more expensive to maintain over time, and it will forfeit many of the opportunities available to the United States today. Without transformation, the U.S. military will not be prepared to meet emerging challenges.”

Secretary of Defense Donald H.
Rumsfeld



“There is a lot of talk about transformation today, and the power of transformation [is]...in transformational ideas. It is not just about technology; it is about *relationships*. *It is about the commitment...to do things in new and different ways.*”

Gen John P. Jumper, CSAF, Sept 2002





And Remember: Contracting lives in a Fish Bowl

"We must adjust to changing times
and still hold to unchanging
principles."

Jimmy Carter
January 20, 1977

The Washington Post Test





















31st Contracting Sq.
Ufficio Contratti









GRADUATION

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Headquarters U.S. Air Force

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2003 Worldwide Contracting
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21 October 2003